the Patent Office is authorized to charge the underpayment to Deposit Account No. 50-2215.

CONTINGENT EXTENSION REQUEST

If this communication is filed after the shortened statutory time period had elapsed and no separate Petition is enclosed, the Commissioner of Patents and Trademarks is petitioned, under 37 C.F.R. § 1.136(a), to extend the time for filing a response to the outstanding Office Action by the number of months which will avoid abandonment under 37 C.F.R. § 1.135. The fee under 37 C.F.R. § 1.17 should be charged to our Deposit Account No. 50-2215.

AMENDMENTS

In the Specification:

Please delete the following paragraph(s)/section(s)/abstract and replace such paragraph(s)/section(s)/abstract pursuant to 37 C.F.R. § 1.121(b)(1)(ii) with the "clean" version set forth below. Entry is respectfully requested. A version with markings to show the changes made pursuant to 37 C.F.R. § 1.121(b)(1)(iii) is attached hereto as Appendix A.

Paragraph at page 3, line 26 to page 4, line 2:

The invention aims to overcome this disadvantage by reducing the amount of credit that need be maintained in the anonymous trading system, and in its broadest form provides for the netting of trades between counterparties. Thus, if a party sells an amount to a counterparty and later buys from the counterparty, the available credit of each party with the other is decremented only by the difference between the trades or the net trade.

Paragraph at page 4, line 15 to page 4, line 21:

a2

Embodiments of the invention have the advantage that the amount of credit that must be allocated specifically to an anonymous trading system by a bank may be reduced without reducing the dealing capacity. This means that more credit is available to the bank for allocation to other trading areas and so the overall trading capacity can be increased without varying credit limits.

Please delete paragraph on page 6, line 32 to page 6, line 33.

Paragraph at page 8, line 20 to page 8, line 34:

a3

Traders are typically grouped as part of a financial institution, such as a bank, which arranges traders as part of a trading floor. A trading floor is a group of traders under common control of a trading floor administrator who allocates credit lines for the trading floor against other trading floors. The market view for a trader, or group of traders, is the market information (price, volume, etc.) that the traders can see that reflect the market. The market views are preferably pre-screened for credit compatibility, as described in WO/93/15467. Thus, traders only see displayed quotes with which they can trade. As well as extending credit to a trading floor, credit may be extended to a bank as a whole (many banks have several trading floors in different locations), or to groups of trading floors.

Paragraph at page 24, line 31 to page 25, line 12:

a4

Whichever of the global or local credit models is used it is undesirable and inflexible to tie up more credit in the electronic broking system than is absolutely necessary. The credit adjustment made in prior art systems on completion of a trade is completely independent of any other trading activities that has taken place. Thus, if bank A sells $10M

a4 contd.

to bank B and then buys $9M from bank B, both parties' credit will be drawn down by $19M, the combined value of the two transaction. However, this is not a fair representation of the risk undertaken by either party as the net exposure is $1M. This is undesirable as the main purpose of credit limits is to limit the exposure of a bank. However, in this example the exposure is far within the exposure the bank considers acceptable and the effect is to prevent the bank from trading up to a level of risk it considers appropriate.

Paragraph at page 25, line 13 to page 25, line 21:

a5

In an embodiment of the invention this problem is overcome by netting when adjusting utilised credit after deal execution. Under this arrangement the sense of the deal with a couterparty, that is whether it is a buy or a sell is taken into account when adjusting utilised credit. This has the advantage of better reflecting the true level of risk to which the bank is exposed and allows more trading to be undertaken within the confines of the set credit limits.

Paragraph at page 25, line 22 to page 25, line 30:

a6

Within the trading system described, institutions may decide whether or not to net with other institutions. Thus, a given institution may define netting credit groups. The trading system described may trade a number of different instruments, such as spot FX, FRA's etc. Netting may be on a per instrument basis or on a cross instrument basis. Where an institution defines netting as being on a cross instrument basis it may designate which instruments are to be included for netting calculation purposes.

Paragraph at page 27, line 10, to page 27, line 21:

a7

Thus, the amount of credit used by bank A is the JPY exposure amount converted into USD, assuming that USD is the credit limit currency. If one were to assume a rate of